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OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 28th day of August, 2008, between Johnny Michael Stanley And Patricia Lynn Stanley, husband and wife, Lessor (whether one or more), whose address is: 6817 Brazos Bend Dr, North Richland Hills TX, 76180, and XTO Energy Inc., whose

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals County of Tarrant, State of Texas, and is described as follows:

0.287 Acres, more or less, out of the T Martin Survey, Abstract No. 1055, and being Lot 4, Block 6, Woodland Oaks Addition, an Addition to the City of North Richland Hills, Tarrant County, Texas, according to the Amended Plat thereof recorded in Cabinet A, Slide 5791, of the plat records, Tarrant County, Texas, and being those same lands more particularly described in a Warranty Deed husband and wife, recorded thereof Volume 15086, Page 493, Deed Records, Tarrant County, Texas, and amendments thereof, including streets, easements and alleyways adjacent thereof, and riparian rights.

This is a non-development Oil, Gas and Mineral Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined herein, on the surface of said lands. However, Lessee shall have the right to pool or unitize said lands, or part thereof, with other lands to comprise an oil and/or gas development unit. It is the intention of Lessor to allow Lessee to explore for oil and/or gas without using the surface of Lessor's land for any operations. This clause shall take precedence over any references to surface operations contained within the preprinted

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by hereunder, said land shall be deemed to contain 0.287 acres, whether actually containing more or less, and the above recital of acreage in options hereunder.

- Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of 3 years land with no cessation for more than ninety (90) consecutive days.
- and with no cessation for more than ninety (90) consecutive days.

 3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, average posted market price of such 25%, part of all oit produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the in either case, to bear 25%, of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas used by Lessee off said land or in the manufacture of gasoline or other products the market value, at the mouth of the well, or (2) when and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or (2) when and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, or on elenth either in kind or at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any torce as though operations were being conducted on said land for so long as said uses the said land or on lands with which said land or any long the said of the
- as provided in paragraph 5 hereof. In the event of assignment of this lease in whole of in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

 4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 enlarged as to any one or more horizons, so as to contain not more than 640 surface acres puls 10% acreage tolerance; infinitely one or more horizons, so as to contain not more than 640 surface acres plus 10% acreage tolerance; if mineled to no or more of the following: (1) gas, other than capied as gas wells by the conservation agency having jurisdiction. If fairger units than any of those herein operation of a well at a regular location, or for obtaining maximum allowable form any well to be drilled, drilling, or already drilled, any such unit option as to each desired unit by executing in instrument identifying such unit and filing it for record in the public office in which this lease is make no such provision, then such unit shall become effective on the date provided for in said instruments but if said instrument or instruments are so filled of record. Each of said production has been established either on say time and from time to time while this lease is in force, and whether before or after operations or established when the such unit shall become effective or on the date such instruments or instruments but if said instrument or instruments or instruments are so filled of record. Each of said production has been established either on as fail purposes of this lease even though there may be mineral, royalty, or leasehold be considered by the sale within the unit which are not effectively probled or unitized. Any operations conducted on any part of such unitized thanks, and interests in lands ow

inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location and/or access road, drilling, testing, completing, recompleting, deepening, sidetracking, plugging back or repairing of a well in search mineral, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to the house or barn now on said land without the consent of the Lessor, land land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its same, howsoever effected, shall be binding upon the then record owner of this lease until sixty (60) days after there has been furnished to division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence owner, Lessee may, nevertheless pay or tender such royalties, or other moneys or the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of said notice any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to the and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shutin well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.
- 15. The consideration paid for this lease shall also constitute consideration for an option to the Lessee, its successors and assigns, to extend the initial three (3) year primary term for a second two (2) year term. This option may be exercised anytime during the initial primary term by delivery of payment of an additional bonus of \$20,000.00 per net mineral acre. The bonus payment shall private notice to Lesson of exercise of the option. In the event Lessee elects to exercise this option and makes the bonus payment provided for above, then all terms of this lease shall remain in full force and effect as if the original primary term was five (5) years.

MONTNESS MHEREOF, this instrument is executed a supply sup	d on the date first above written. LESSOR: Patricia Lynn Stanley
COUNTY OF Igrant } ss.	(ACKNOWLEDGMENT FOR Frustice)
his instrument was acknowledged before me on the	28 day of August , 2008 by and wife Patricia Lynn Stand

THOMAS LEE GARVIE Notary Public, State of Texas My Commission Expires April 18, 2012

Signature _

/homas Printed __